

AGREEMENT

THIS AGREEMENT made as of the 5th day of October, 2005 by and between the TOWN OF CORNWALL, a municipal corporation of the State of New York, with offices located at Town Hall, 183 Main Street, Cornwall, New York (hereinafter "Cornwall") and the TOWN OF NEW WINDSOR, a municipal corporation of the State of New York, with offices located at TOWN HALL, 555 Union Avenue, New Windsor, New York (hereinafter "New Windsor"),

WHEREAS, Etruscan Enterprises, Inc. filed petitions pursuant to Article 17 of the General Municipal Law of the State of New York, petitioning that certain lands identified as part of Town of Cornwall Tax Map Nos. 4-1-9.22 and 4-1-11 (the "Territory") located in Cornwall to be annexed to New Windsor, and

WHEREAS, following due notice by publication and mail Cornwall and New Windsor Town Boards held a duly authorized joint public hearing at the Cornwall Town Hall on July 12, 2005, and

WHEREAS, the Cornwall Town Board and the New Windsor Town Board are each ready to adopt a determination after the hearing as required by Section 711 of the General Municipal Law, which said determination will be in the form of a resolution and order approving the annexation, and

WHEREAS, prior to the adoption of the said resolution and order it is appropriate for Cornwall and New Windsor to enter into an agreement addressing the matters contained in Sections 707 and 708 of the General Municipal Law, and

WHEREAS, Cornwall and New Windsor after considering the issues contained in Sections 707 and 708 as aforesaid determines to enter into this agreement, and

IN CONSIDERATION of the provisions hereinafter set forth Cornwall and New Windsor agree as follows:

1. Pursuant to the provisions of Section 707 of the General Municipal Law, and any real property and personal property owned by Cornwall within the Territory shall become the property of New Windsor as of the date of annexation of the Territory by New Windsor.
2. Pursuant to the provisions of Section 707 of the General Municipal Law, any real property and personal property owned by any Cornwall special or improvement districts located within the Territory proposed to be annexed shall become the property of New Windsor as of the date of annexation of the Territory by New Windsor.
3. Cornwall agrees that pursuant to the provisions of Section 708 of the General Municipal Law the Territory will be annexed to New Windsor free and clear of any indebtedness, contract or other liabilities, if any, to which the Territory may be presently subject. The basis for this determination is that once the Territory is annexed it will cease to receive any benefits from Cornwall nor will Cornwall have any obligation in the future to confer any such benefits. Cornwall agrees further that New Windsor shall not be responsible for any contract liability including any portion of any outstanding debt service except in the event of default in the payment thereof or interest thereon by Cornwall.
4. Cornwall and New Windsor agree that the 2006 Town and County tax bills on the Territory be levied and collected without regard to the annexation of the Territory. All tax bills issued after the 2006 Town and County tax bills shall recognize that the Territory is located entirely within the Town of New Windsor, and the Territory shall be taxed accordingly. The owner of the Territory has endorsed its consent to this provision of the agreement, which consent


may be withdrawn if other provisions of this agreement are modified by Cornwall and New Windsor.

5. New Windsor agrees that the provisions of this agreement shall be followed in the local law to be adopted by New Windsor pursuant to the provisions of Section 714 of the General Municipal Law.

IN WITNESS WHEREOF Cornwall and New Windsor have executed this agreement as of the date and year first above written with the date of the resolution of the respective Town Boards authorizing the execution of this agreement by the respective Supervisors set forth under their signatures.

TOWN OF CORNWALL

By:


Richard Randazzo, Supervisor

By Resolution of the Town Board
dated Oct 14, 2003

TOWN OF NEW WINDSOR

By:


George J. Meyers, Supervisor

By Resolution of the Town Board
dated Oct 5, 2003

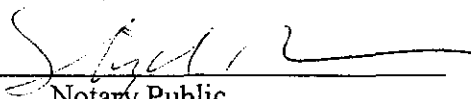
ETRUSCAN ENTERPRISES, INC.

By:


Frank Cavalari

STATE OF NEW YORK)
)ss.:
COUNTY OF ORANGE)

On the 11th day of October, in the year 2005, before me, the undersigned, a Notary Public in and for said state, personally appeared RICHARD RANDAZZO, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

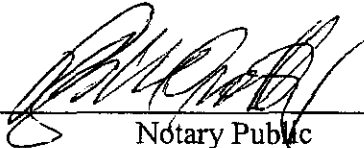


Notary Public

STEPHEN J. GABA
Notary Public, State Of New York
No. 02GA4975976
Qualified In Orange County
Commission Expires 12/26/20 05

STATE OF NEW YORK)
)ss.:
COUNTY OF ORANGE)

On the 5th day of October, in the year 2005, before me, the undersigned, a Notary Public in and for said state, personally appeared GEORGE J. MEYERS, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

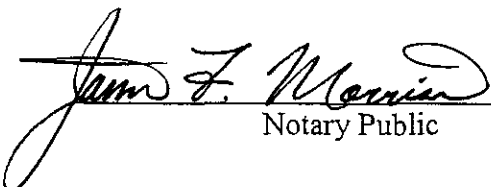


Notary Public

PHILIP A. CROTTY
Notary Public, State of New York
Qualified in Orange County
Reg. No. 4520410
Commission Expires March 30, 2006

STATE OF NEW YORK)
)ss.:
COUNTY OF ORANGE)

On the 18th day of October, in the year 2005, before me, the undersigned, a Notary Public in and for said state, personally appeared FRANK CAVALARI, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.



Notary Public

JAMES F. MORRISON
Notary Public, State of New York
No. 01MO6107801
Qualified in Orange County
Term Expires April 12, 2008